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C O N F I D E N T I A L SECTION 01 OF 11 UNVIE VIENNA 000435

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SUBJECT: IAEA/IRAN: SEPTEMBER BOARD KEEPS THE SPOTLIGHT ON
IRAN

Classified By: Ambassador GLYN DAVIES for reasons 1.4(b) and (d)

Summary

¶1. (SBU) The September 7 IAEA Board of Governors discussion on Iran balanced between praising Tehran's recent cooperation with the IAEA and noting that more must be done. Although the usual Iran friends highlighted Tehran's decision to improve safeguards at Natanz and provide access to the IR-40 reactor at Arak, the other Member States explained that these were long overdue, obligatory measures. The majority of Member States called on Iran to meet UNSC and Board requirements and registered serious concern about Iran's lack of cooperation on key technical issues, including possible military dimensions (PMD), suspension, and implementation of Code 3.1 Modified of the Subsidiary Arrangement.

¶2. (SBU) In addition to the core like-minded states, Argentina and Mexico delivered statements highly critical of Iran. Twenty-eight of the thirty-five Board Member States spoke or were spoken for by the EU and NAM, and five states spoke under Rule 50. Many of the statements expressed regret that Iran had not suspended uranium enrichment and heavy water-related activities in violation of UNSCRs and had instead expanded its centrifuge capabilities. Most Board members requested additional transparency and cooperation on the "alleged studies" or PMD issue, and many openly regretted Iran's continued stonewalling.

¶3. (SBU) The NAM statement reaffirmed its "principled positions" on the inalienability of rights, cautioned against undue pressure and interference with IAEA verification, and stressed the distinction between "legal" NPT obligations and voluntary confidence building measures. (Comment: Egypt's recent assumption of the NAM Chairmanship did not appear to make any difference in the NAM statement nor in Egypt's national statement, which in typical fashion praised Iran for its cooperation and looked past the remaining serious concerns of the outstanding issues. End comment.) The Malaysian statement, as incoming Board Chair, was particularly unhelpful, charging that Iran was being

penalized for its voluntary cooperation and concluding that the time had come to return to routine safeguards. Malaysia said the international community should not continue to indulge in "unsubstantiated allegations" but should instead turn to more urgent issues of technical cooperation.

¶4. (SBU) Other NAM state interventions, including by the Philippines and South Africa, were more balanced and noted that Iran still needed to meet UNSC obligations. Iranian Permanent Representative Soltanieh as usual had the last word on the Iran agenda item and moved even more firmly into the role of defender of states' rights than he has at previous Boards. He assured the NAM countries that Iran would not disappoint them by abandoning their rights and then repeated past arguments, including Iran's claim that it had answered all outstanding questions in accordance with the work plan and thus its file should be returned to consideration as a routine matter at the IAEA.

¶5. (SBU) In his opening remarks to the Board meeting and closing statement on the Iran issue, Director General ElBaradei emphasized that it was in Tehran's hands to do more in order for the IAEA to exclude the possibility of military dimensions to its nuclear program. ElBaradei plainly stated that "if the (alleged studies) information is real, there is a high probability that nuclear weaponization activities took place." He also criticized those Member States that have fed allegations to the press about the IAEA withholding information from its reports, noting that "such attempts to influence the work of the Secretariat and undermine its

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independence and objectivity are in violation of Article VII.F of the IAEA statute. (Comment: The public row over Israeli and French accusations that the IAEA was withholding information really backfired in the Board room. Not only did it provoke ElBaradei, it also made Russia defensive, gave the NAM an additional talking point, and overshadowed the DG's helpful statement that the evidence against Iran, if real, means Iran has undertaken nuclear weapons work. We know privately from a well-placed senior Secretariat official that proponents of a rigorous approach toward Iran took pride in prompting the DG to include the latter statement in his comments and viewed it as a significant step forward for the DG on Iran .) End Summary.

DG Calls on Iran To Do More and
Tells Others to Butt Out

¶6. (SBU) Director General (DG) ElBaradei made clear in his opening statement to the Board that Iran must do more in order for the IAEA to exclude the possibility of military dimensions to its nuclear program. In addition to recognizing Tehran's recent, but obligatory, cooperation at Natanz and the IR-40 reactor at Arak, ElBaradei specified that Iran must respond fully to all questions regarding weaponization studies, implement the Additional Protocol (AP), and clarify its future intentions concerning its nuclear program. The DG also used his statement to add to the August 28 press release about the Safeguards reporting process and criticize those Member States that have fed "politically motivated and totally baseless" allegations to the press about the IAEA withholding information from its reports. He noted that "such attempts to influence the work of the Secretariat and undermine its independence and objectivity are in violation of Article VII.F of the IAEA statute and should cease forthwith."

Russia and China Recognize Iran's Cooperation

¶7. (C) Russia's statement was notable for its weakness relative to recent Russian Board statements, and a Russian

advisor admitted that it had been substantially changed by Governor Berdennikov from the initial draft. We speculate that the French accusations levied against the Director General, and strongly condemned by Foreign Minister Lavrov, were an impetus for Russian revisionism, but there may have been other reasons for Moscow to pull its punches. After expressing fullest confidence in the work of the DG, Russia assailed the allegations of concealment as inadmissible. Russia noted the steps recommended by the DG on possible military dimensions (PMD) as being of "great significance" to restore trust but cited as a matter of concern Member States' information sharing practices, saying that the DG was justified in his view that these hampered progress in verification. While Russia noted Iran's cooperation at Natanz and Arak, the statement concluded with an appeal for Iran to comply with UNSC and Board requirements, in particular, AP implementation and transparency measures to allay international concerns. Russia noted that there was "no alternative" to a peaceful and diplomatic settlement.

18. (SBU) China continued to accentuate the positive, noting that despite some outstanding issues, there had been "gradual progress" in cooperation over the course of a series of DG reports. China emphasized a peaceful solution as there was still an opportunity for a negotiated settlement, and in this context, noted Iran's positive steps as reported by the DG and its statements that a new Iranian package was in the offing. China noted that the P5 1 Political Directors, meeting in Frankfurt days before, had reaffirmed their commitment to negotiations and enjoined all parties to step

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up diplomatic negotiations. Notably, China made no call on Iran to cooperate further, nor did it mention UNSC resolution obligations.

EU, EU3, and Like-Minded Call
for More Cooperation

19. (SBU) As EU President, Sweden delivered a solid statement that strongly regretted the IAEA's inability to provide the Board with assurances of the peaceful nature of Iran's nuclear program. While welcoming Iran's recent cooperation with the IAEA, Sweden explained that this cooperation was obligatory and long overdue, and noted serious concerns with Iran's continued refusal to provide substantive responses on the PMD issues. The EU reminded the Board of its June request and once again asked the Secretariat to provide an assessment of PMD. Germany, on behalf of the EU3, described the number of Iranian failures to meet international obligations and insisted that substantial issues remained to be clarified. Germany emphasized that it was "inexcusable" that no transparency had been provided on PMD, which continues to lead to doubts in the nature of Iran's nuclear program. Noting that Iran had been provided sufficient access to the documentation available to the IAEA to respond substantively to the PMD questions raised, Germany said that "it is in Iran's hands and power to overcome the current, profoundly unsatisfactory situation" and build, not reduce, confidence.

110. (SBU) Australia, Canada, Japan, New Zealand, and Switzerland all delivered similarly strong statements that noted it was essential for Iran to promptly and substantively respond to the IAEA's questions regarding PMD projects and to meet all Board and UNSC obligations, including suspension, AP implementation and Code 3.1. Australia remarked that it was disturbing that Iran had not cooperated on PMD, and noted that it was critical for the IAEA to clarify these issues and provide the Board with details so that they do not lose sight of something so important. Canada noted that it was "particularly troubling" that there were a number of remaining issues to be resolved, and that Iran had demonstrated blatant disregard for the many UNSC and Board

requirements.

¶11. (SBU) Japan stated that it was "deeply regrettable" that Iran continues to expand enrichment-related activities, especially work on new generation centrifuges, and noted that without changes in its current ways, it would be impossible to restore confidence in Iran. New Zealand regretted that Iran's recent cooperation at Natanz and Arak had not extended to the PMD issues and encouraged Tehran to comply with all UNSC and Board requirements without delay. Switzerland noted that although for the first time in over a year, Iran finally had shown positive signals of cooperation, this observation had to be qualified because these were obligatory measures and that no cooperation had been provided on the most troubling aspects-PMD, AP, and Code 3.1.

Same Old Turkish Statement

¶12. (SBU) Turkey gave what has become a characteristically equivocal statement on Iran, which welcomed "progress" since June and favorable cooperation by Iran and looked forward to "continued momentum of cooperation." The statement counterbalanced the non-diversion of declared material with the need for assurances as to undeclared activities and (helpfully) underlined the importance of addressing outstanding issues in a transparent manner. Turkey called for continued dialogue with the IAEA and confidence building measures and noted that information sharing by Member States

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may facilitate this. Although Turkey supported P5 1 negotiations, there was no call for compliance with UNSC resolutions or Board requirements.

Latins Note the Importance of
Additional Cooperation

¶13. (SBU) Among the non-NAM Latin American countries, Argentina's strong statement once again stood out as on a par with the like-minded, followed closely by that of Mexico. Argentina agreed with the DG's general assessment as to the lack of substantive progress on the "alleged studies" and other "essential" information and called for Iran's active cooperation in providing all forms of access, including to centrifuge manufacture and R&D facilities. Argentina expressed "serious" concern over Iran's continued failure to abide by UNSC resolutions on suspension and Arak, and urged Iran to build confidence in the peaceful nature of its nuclear program, citing the Additional Protocol as a "critical guarantee" in this regard. Notably, there was no mention of Member States providing documentation, as Argentina placed the onus of cooperation squarely on Iran. Mexico began by taking note of improvements in cooperation at Natanz and Arak but "notwithstanding this" expressed "serious concern" as to the issue of Code 3.1 modified and UNSC resolution demands for suspension. Like Argentina, Mexico said it was "essential" for Iran to re-engage with the IAEA on PMD issues and urged Iran to cooperate effectively and without delay, taking all measures to address these outstanding issues. Mexico further noted that additional transparency was required of Iran to build confidence. Mexico reiterated the DG's request to all Member States for information sharing with Iran, but even this was cast in a neutral manner.

¶14. (SBU) By contrast, a tepid Brazilian intervention noted, as in March and June, that the content of the DG's latest report was not "distinctive," i.e. no different from previous reports. The Board was thus not in a position to make any headway. Brazil called on both Iran and the DG to break the impasse, placing them on equal footing, and added that provision of information by Member States would be a positive

step. Only improved dialogue would lead to progress, Brazil concluded.

NAM Continues to Support Iran

¶15. (SBU) Egypt's assumption of the NAM Chairmanship had no perceptible impact on the tenor of the NAM statement, which was as unhelpful as usual and contained no call for Iranian cooperation. The NAM statement was first under the Iran agenda item, immediately followed by the strong EU statement.

Egypt, speaking on behalf of the NAM, began with the customary recitation of "principled positions": inalienable right to nuclear energy with respect to states' "choices," including that of Iran; the IAEA as the sole competent authority; distinction between legal safeguards obligations and confidence building measures and calls for a Middle East NWFZ. Additional emphasis was given this time to protection of peaceful nuclear facilities from attack or threat of attack via a comprehensive multilateral instrument, i.e., an indirect endorsement of Iran's proposal on armed attacks in the General Conference. The NAM statement welcomed Iran's "increased" cooperation and proceeded to enumerate all the positive steps outlined in the DG's report, including containment and surveillance and unannounced inspections at Natanz and design information verification at the IR-40 reactor and Uranium Conversion Facility (UCF).

¶16. (SBU) As with previous NAM Board statements, the only

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diplomacy and dialogue.

¶17. (SBU) The Egyptian national statement was also unconstructive, beginning with its insistence that Iran nuclear issues not be dealt with in isolation but in the context of a Middle East NWFZ and the application of IAEA safeguards in Israel. Egypt encouraged Iran to "continue to cooperate fully" with its legal obligations and underlined the "pitfalls" of asking Iran to do more by reliance on "unascertained allegations." Further welcoming positive steps and "a large degree of additional cooperation," Egypt noted that Iran can extend this cooperation and implement Code 3.1 modified. Egypt concluded by strongly regretting the politically-motivated accusations of withholding information levied against the Secretariat.

¶18. (SBU) Incoming Board Chair Malaysia also rejected the unsubstantiated allegations against the Director General. After making the usual points about NPT rights and legal obligations vice confidence-building measures, Malaysia charged that Iran was being penalized for its voluntary cooperation (a charge also made by Iran in the technical briefing.) Malaysia asserted that based on the irrefutable facts (listing only the positive elements), the DG's report was extremely positive and that Iran had extended full cooperation in settling all the issues. Malaysia concluded that the time had now come to return to routine safeguards and that the international community should not continue to indulge in "unsubstantiated allegations." Rather the Board should turn to more urgent issues of technical cooperation.

¶19. (SBU) Predictably, the Cuban national statement touted important developments in Iran's cooperation, insisted per usual, that the work plan had resolved all issues and called for return of the Iran file to Vienna. Cuba accused those with geo-political interests of continuing to spotlight Iran for political reasons, including double standards as regards Israel, and also denounced demands for suspension as reflecting those interests. Notably, Cuba did not cite the U.S. specifically. Joining in the defense of the DG, Cuba strongly denounced "the new strategy to discredit the Secretariat" as endangering the Agency.

¶20. (SBU) Also speaking as non-Board members under Rule 50, Indonesia and Venezuela hewed to NAM orthodoxy. Indonesia

cited the 2007 work plan as a major achievement and "the pattern of cooperation" between the IAEA and Iran. In particular, Indonesia appreciated DIV access to Arak. Indonesia further appreciated the DG's efforts "under trying circumstances" and, taking note of challenges to verification, called on "all parties" to support the DG. Incoming Board member Venezuela's statement tracked with Cuba's in concluding that Iran had provided tangible and substantial efforts since June (enumerating them from the DG's report) and that it was time to close the dossier. Venezuela expressed profound regret that some countries with bellicose and imperialist intent continue to pursue the "alleged studies" and keep the media show on the road. Noting that the report contained no new elements in that regard, Venezuela affirmed that PMD was beyond the mandate of the IAEA and that Iran's cooperation should be acknowledged. Venezuela further supported the DG and warned that more

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sanctions would cast a shadow on the positive steps Iran has taken.

NAM Moderates - Philippines and South Africa, India

¶21. (SBU) Only two NAM countries speaking in a national capacity expressed moderate views, the Philippines and South Africa. (Note: Ecuador, Ghana and Burkina Faso did not take the floor on this agenda item. End Note.) Associating itself with the NAM statement, the Philippines welcomed Iran's cooperation at Natanz and Arak but went on to underline concerns that Iran had not implemented UNSC requirements for suspension and over the lack of progress on PMD issues. The Philippines urged Iran to "continue" engagement with the Secretariat on the latter and provision of access, while also enjoining "concerned parties" to provide information, thus implying an equivalence. The Philippine statement called for compliance with UNSC resolutions and AP implementation and looked forward to diplomatic breakthrough, specifically that Iran will reciprocate diplomatic initiatives made by the U.S. and others.

¶22. (SBU) South Africa began by enumerating all the positive aspects of the DG report but then noted remaining concerns and reaffirmed required steps as to mandatory UNSC resolutions, including suspension. South Africa reiterated its call on Iran to resolve outstanding issues "in a credible manner" and implement the AP as well as confidence building measures and Code 3.1 modified "without delay." The South African statement also called on Member States to work out modalities for information sharing with Iran. South Africa shared the DG's view of media reports on withholding information as "baseless" and undermining the impartiality of the Agency. The statement concluded that time was of the essence in taking advantage of the window of opportunity for a diplomatic settlement.

¶23. (SBU) For its part, India delivered another short statement, not saying much. India expressed confidence in the Director General, called on all countries to abide by their commitments, and trusted that Iran would continue cooperation and transparency and clarify the outstanding issues. India saw the IAEA as the best forum for this issue and called for peaceful dialogue. Not to be forgotten, India also reminded all of the "supply side" of proliferation.

Other Arabs - Algeria, Libya, Syria

¶24. (SBU) Besides Egypt, Algeria was the only other Arab Board member to take the floor; Iraq and Saudi Arabia were silent. The Algerian statement was somewhat judicious in encouraging continuing cooperation by Iran to restore the

confidence in the peaceful nature of its nuclear program, but made no reference to UNSC resolutions or Board requirements. Algeria also called for a NWFZ in the Middle East and joined the chorus of voices expressing confidence in the DG. Non-Board member Libya, speaking under Rule 50, noted that all pending issues related to Iran's comprehensive safeguards had been addressed. Libya then quoted a statement from President Qadhafi applauding the technical breakthrough that Iran was able to enrich uranium but also noting "a red line and a green line" with respect to an atomic bomb vice peaceful use. The IAEA was the authority to ascertain red or green, red leading to the UN Security Council. Libya would not accept development of nuclear weapons, it affirmed.

¶25. (SBU) Also speaking under Rule 50, Syria for the first time in the Board room came to Iran's defense. Syria noted the hundreds of inspection hours spent in Iran failed to

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prove a violation or breach of the Statute, and that Iran would have voluntarily implemented the AP were it not for unjust actions. Syria regretted the flagrant application of double standards that allowed Israel impunity, and warned against repeating past mistakes as in Iraq, while calling on the previous U.S. administration to apologize for the suffering inflicted.

Iran Defends Rights under NPT

¶26. (SBU) Iranian Permanent Representative Soltanieh as usual had the last word on the Iran agenda item and moved even more firmly into the role of defender of states' rights than he has at previous Boards. He began his statement "by assuring the family of the NAM" that Iran would not disappoint them by abandoning their rights and then repeated past arguments, including Iran's claim that it had answered all outstanding questions in accordance with the work plan and thus its file should be returned to consideration as a routine matter at the IAEA. Soltanieh likened Iran's case to Iraq in 2003 when, he claimed, the U.S. misled the world and "massacred Iraqis." The U.S. was again making accusations, but the IAEA has "cleared" the accusations as baseless, he argued, despite the DG's report and ElBaradei's statements to the contrary. Since there is currently no way for Iran to recoup the "damages" from the U.S. actions, Soltanieh said that he is considering-with likeminded counterparts-addressing this in Future of the Agency discussions. Soltanieh also mentioned the Iranian proposal slated to be handed out later that day and President Ahmadinejad's statement that Iran is ready to cooperate and negotiate on peaceful uses of nuclear energy. He mirrored the language of the P5 1, noting that Iran has opened a "window of opportunity" and was looking toward negotiations based on mutual respect. Soltanieh's comments in response to previous speakers were the shortest in memory. Australia called out by Iran as having a more balanced statement than its previous statements and those of "others," surely leaving the Australians to scratch their heads as they exited the Board room about what they had said to win Iran's favor.

DG Gets Final Word, Again

¶27. (SBU) Similar to the June Board, DG ElBaradei intervened at the end of the Iran agenda item to offer his reflection of the debate just heard on the Iran issue. The emphasis of ElBaradei's comments was directed at Iran's obligation to make something happen. He noted that we all need to break the "log jam," which could not be done by speeches and talks about formalities, such as the how the work plan was implemented or not or how the IAEA should be writing its reports. He called on Iran to implement the AP and Code 3.1, and said that Tehran was only penalizing itself by not doing

so. ElBaradei explained that although the IAEA has a limited ability to authenticate the "alleged studies," there are a number of checkable facts associated with the PMD that Iran should help clarify. ElBaradei then plainly stated that "if the information is real, there is a high probability that nuclear weaponization activities took place."

¶28. (SBU) ElBaradei also noted the U.S. offer for dialogue "cannot be refused" and expressed hope for Minister Mottaki's response to be positive, especially as many opportunities over the past six years have been lost and this cycle should not continue. Reiterating his opening statement points on the IAEA supposedly withholding information from the Board, ElBaradei stated that the people suggesting this are obviously "trying to undermine the Agency, essentially undermining the institution that is absolutely essential to maintaining international peace and security," and appealed

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to those to not hype this issue, as had been done in the case of Iraq.

Chair's Summary

¶29. (SBU) In her summary, the Chair (Algerian Ambassador Feroukhi) noted that several Member States welcomed the increased cooperation between the IAEA and Iran as elaborated in the latest DG's report, notably with regard to the improvements in safeguards measures at Natanz and access to the Arak reactor. Several Members noted these developments but considered them as long overdue and that it had taken Iran many months to agree to them. Several Members also expressed serious concern that that Iran refused to cooperate with the IAEA and give substantive answers to questions that need to be clarified in order to exclude the possibility of there being military dimensions to its nuclear program and that Iran had not complied with UNSC resolutions and with previous Board requests. Several Member States noted the need for Iran to implement the AP and the Code 3.1 and to resolve the outstanding issues which raise concerns about PMD. In addition, several Member States requested that the States that provided the Agency with documentation related to the "alleged studies" authorize the Agency to share them with Iran. Also, several Member States expressed concern that Iran was the only country to build and possibly operate a nuclear power plant without being party to the relevant nuclear safety and security conventions. Several members welcomed the development of a fresh approach by the international community to establish a dialogue with Iran and called on Tehran to consider positively the P5 1 offer.

¶30. (SBU) Several Member States, the Chairwoman continued, said that they looked forward to safeguards implementation in Iran being conducted in a routine manner, that undue pressure or interference in the Agency's verification activities jeopardized the Agency's credibility, and that they supported a nuclear-weapon-free zone in the Middle East.

U.S. Statement

¶31. (U) Begin text of U.S. statement:

Madame Chair,
The United States appreciates this latest report on the implementation of Iran's Safeguards Agreement and compliance with its UN Security Council obligations. We thank the Director General and the Secretariat for their continued impartial and professional efforts in conducting their verification mission in Iran.

This is my first intervention on the subject of Iran at the IAEA Board of Governors. So I hope my fellow Board members

will grant me the indulgence of expressing the sincere hope that this will be the last intervention I must make in the absence of true progress on the IAEA Iran nuclear file. We welcome the recent DG report, a report that makes clear why Iran remains a critical challenge for the Agency and continues to be a key issue demanding the attention of this Board.

Unfortunately, the Secretariat is not getting the full and comprehensive cooperation that it needs from Iran to resolve these long-outstanding issues. The Agency's investigation is now entering its sixth year, and still many of the issues remain unresolved as a result of Iran's refusal to provide the information and access necessary to address the IAEA's serious questions, particularly regarding Iran's past nuclear warhead development program.

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In fact, the latest Director General's report describes how, once again, Iran has missed an opportunity to address the concerns of the international community with respect to its nuclear program. We regret that no significant progress has been made in the IAEA's investigation for over a year, and no progress at all has been made with respect to Iran's fulfillment of its UN Security Council, NPT, and IAEA core obligations to fully cooperate with efforts to verify that Iran's nuclear program is solely peaceful.

This includes Iran's obligation to suspend uranium enrichment at Natanz per the requirements of the Security Council. The media has noted Iran's acceptance of an augmented safeguards approach at Natanz. However, that step only re-establishes the minimum-necessary IAEA monitoring at Natanz without addressing Iran's obligations. In addition, the proliferation-sensitive nuclear activities conducted at this facility should be suspended per the requirements of the UN Security Council.

The same can be said of Iran's provision of access to Arak. The Director General's report indicated that Iran permitted the IAEA to conduct a Design Information Verification (DIV) inspection at the Arak reactor. This development is, of course, welcome. However, access granted after a year of defiance is not something to be congratulated. Moreover, Iran's continued refusal to implement Code 3.1 modified of its Safeguards Agreement, to provide early notification of new nuclear facilities, disconcertingly suggests that this access will not be routine or regularized, as required by Iran's safeguards agreement and subsidiary arrangements, but rather will be ad hoc and last-minute when politically expedient. As the Director General noted in his report, Iran is the only state with significant nuclear activities that has a comprehensive safeguards agreement in force but is not implementing the provisions of the revised Code 3.1. Similarly, over a year ago, the Director General requested Design Information Verification information for the new power reactor Iran plans to construct at Darkhovin. And once again, Iran has refused to provide such information to the IAEA. The failure to apply Code 3.1 modified is a serious impediment to the IAEA's ability to properly safeguard and verify nuclear activities in Iran.

The limits placed by Iran even on this one opportunity to conduct safeguards at the Arak reactor revealed further the lack of Iranian cooperation. The report clearly indicates that, while Iran continues to make significant progress at Arak, Iran has yet to provide critical, detailed design information, in particular about the nuclear fuel characteristics, fuel handling and transfer equipment, and the nuclear material accountancy and control system. This information is fundamental to safeguards implementation and should be provided without delay.

Against this backdrop of limited cooperation, the report describes both technical progress in Iranian uranium

enrichment and a total stalemate in addressing the IAEA's serious concerns about Iran's past warhead-related work. Indeed, this latest report describes that Iran now has, at a minimum, 1,430 kilograms of low enriched uranium hexafluoride. Iran is now either very near or in possession already of sufficient low enriched uranium to produce one nuclear weapon, if the decision were made to further enrich it to weapons-grade. This ongoing enrichment activity, prohibited by three Chapter VII United Nations Security Council resolutions, moves Iran closer to a dangerous and destabilizing possible breakout capacity.

Taken in connection with Iran's refusal to engage with the IAEA regarding its past nuclear warhead-related work, we have serious concerns that Iran is deliberately attempting, at a minimum, to preserve a nuclear weapons option. While the Agency continues to request clarification on the alleged

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studies, the uranium metal document, and the procurement and nuclear-related R&D activities of military institutes and companies, as well as the production of nuclear-related equipment and components by companies belonging to defense industries, Iran continues to refuse to cooperate. This is regrettably unproductive. It is also disappointing that over ten months have gone by and Iran has failed to take what the Director General calls an important first step in addressing these long-outstanding issues by providing substantive answers to the IAEA's questions. What conclusion should the Board draw from Iran's refusal to provide substantive answers to the IAEA's questions?

Madame Chair,

It has been nearly six months since the United States joined its P5 1 partners in offering to negotiate with Iran based on mutual interests and mutual respect, without preconditions. The United States and our P5 1 partners have made a good-faith effort to reach out to Iran and find a diplomatic resolution to this issue. And while we have seen press reports that Iran has a new proposal, we have not yet received any official, substantive response from our Iranian counterparts. Nonetheless, we would review any proposal seriously in the spirit of mutual respect and would welcome the Iranian government's constructive response to the P5 1's April 2009 invitation to meet face-to-face. Moving forward with these discussions could begin to bring Iran into compliance with its international obligations and create confidence in the exclusively peaceful nature of its nuclear program.

This is a fresh, new opportunity for Iran to turn the page, come back to the negotiating table, and prove that it is a responsible, trustworthy member of the international community. The pathway to a negotiated solution remains on the table for Iran and we continue to call on Iran's leaders to demonstrate genuine commitment to peace and security in the Middle East and to the international non-proliferation regime. We have made clear that we do not dispute Iran's right to a civilian nuclear program, but with that right comes the responsibility to restore confidence in the exclusively peaceful nature of Iran's activities and program.

We welcome constructive, honest engagement with our Iranian counterparts to resolve this issue once and for all.

Madame Chair,

Iran claims that all of the IAEA's concerns have been addressed. Unfortunately, this is far from the case, as the latest report and its many predecessors demonstrate. We, as members of the Board, have a responsibility to demand that the Secretariat's questions are answered, and to ensure that we can obtain confidence in the peaceful intent of the Iranian nuclear program. When a state such as Iran has violated its safeguards agreement for decades and is known to have engaged in weapons-related work, it makes this task all

the more vital. When a state such as Iran continues to violate its obligations, we must respond.

Madame Chair,

My government is committed to a diplomatic resolution of international concerns over Iran's nuclear program and to the P5 1 dual track approach. We continue to call on Iran to seize the opportunity and to respond constructively to the P5 1 offer on its nuclear program made in April 2009. We are willing to engage in direct diplomacy based on mutual respect and interests and seek a willing partner. However, as I have already stated, with rights come responsibilities.

So we urge Iran to fulfill its international nuclear obligations and accept the promise of a negotiated and comprehensive agreement that is in the interest of all

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Iranians. We hope that Iran will not miss this opportunity, and will take immediate steps to restore international trust and confidence. We look forward to a time in which Iran is greeted by this Board as an IAEA member state in good standing and urge Iran to do what is necessary to make that a reality.

Thank you, Madame Chair.

End text.

DAVIES